



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH, DEVELOPMENT AND ACQUISITION
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

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MEMORANDUM FOR DISTRIBUTION

Subj: PROCUREMENT PERFORMANCE MANAGEMENT ASSESSMENT PROGRAM
(PPMAP)

Encl: (1) PPMAP: Purchase Card Best Practices

Ref: (a) NAPS 5201.691-2(b)
(b) NAPS 5201.691-2(f)(2)

Per reference (a), each Head of Contracting Activity (HCA) is responsible for oversight and review of their subordinate contracting organizations. In accordance with reference (b), by 30 December of each year, each HCA reports to this office a summary of relevant findings from the results of the previous fiscal year's Procurement Performance Management Assessment Program (PPMAP).

The primary objective of the PPMAP and procurement management oversight is to encourage and assist contracting organizations in making continuous improvements in their acquisition processes. Recent external audits have identified opportunities to strengthen administration of the Department of the Navy's (DON) purchase card process. The DON purchase card is a vital and valuable tool that enables DON to meet its mission and support the Fleet in the most efficient and effective manner possible. I expect you to review this critical process as an ongoing part of your PPMAP review. Enclosure (1) is provided to assist you in your reviews.

R. E. Cowley
RDML, SC, USN
Deputy for Acquisition and
Business Management

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PROCUREMENT PERFORMANCE MANAGEMENT ASSESSMENT PROGRAM (PPMAP)
PURCHASE CARD BEST PRACTICES

The primary objective of the PPMAP and procurement management oversight is to encourage and assist HCAs in making continuous improvements in their acquisition processes. Based on lessons learned from various program reviews, the following metrics and/or key areas should be considered in your management and assessment of purchase card programs/processes.

- a. Number of purchase card reviews conducted
- b. Number of activities using the purchase card
- c. Number of purchase card activities that received a rating of unacceptable
- d. Number of activities that had their purchase card authority suspended or revoked
- e. Number of activities that had their purchase card authority reinstated
- f. Approving Official/Billing Official span of control
- g. Number of actions exceeding the micro-purchase threshold
- h. Questionable purchases or vendors
- i. Split purchases
- j. Excessive instances of purchase card delinquencies
- k. Screening of requirements for their availability from mandatory Government sources of supply
- l. Separation of requiring and approving functions